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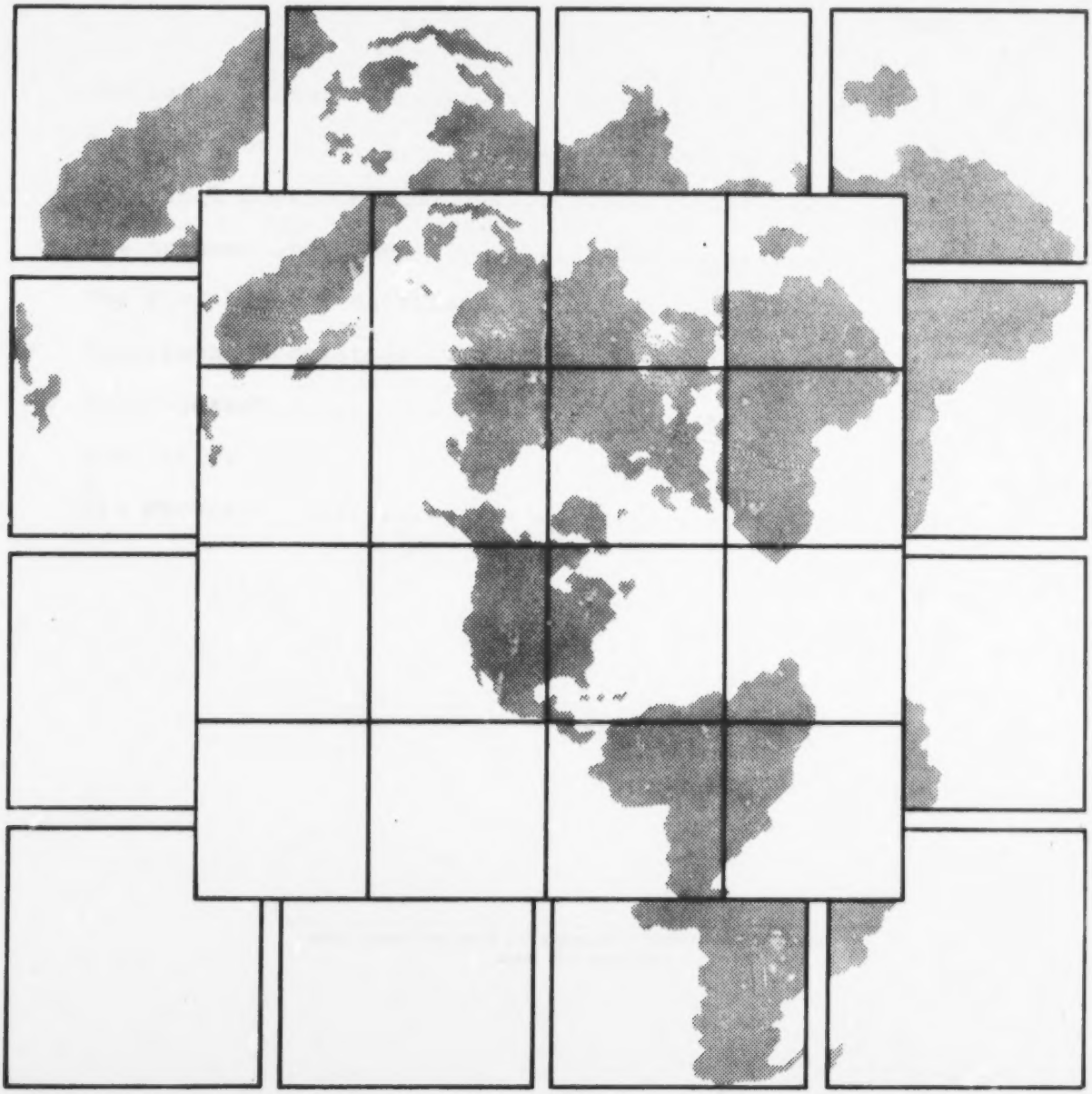

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FOREIGN LABOR TRENDS REPORT
SURINAME
JULY 1987 - JUNE 1988

KEY LABOR INDICATORS

		1985	1986	1987
1)	Per capita GNP at current prices (US$)	2509	2966	2653
2)	Per capita GNP at constant 1980 prices (US$)	832	809	750
3)	Total Population (000)	393	401	409
4)	Population growth rate (percent)	2.6	2.2	1.9
5)	Birth rate per 1000 population	30.2	25.6	23.9
6)	Immigration	1905	2129	1660
7)	Emigration	973	1063	1049
8)	Life expectancy at birth - males			62.3
	- females			70.2
9)	Adult literacy rate (percent)	85	85	85
10)	Total labor force (000)	109	112	115*
11)	Total employment (thousands)	82	78	78
12)	Unemployment rate (percent)**	27	30	32
13)	Work stoppages	9	10	8
14)	Minimum wage rate	(no minimum wage law.)		
15	Average hours worked per week ***	45	45	45
16)	Unionization of workers (as a percent of total labor force)***	50	50	50
17	Rate of change in consumer prices during preceding year (percent)	10.9	18.7	53.4
18)	Trade with US (US$ millions)			
	Exports	54	54	18
	Imports	100	102	35

* Some official sources estimate the total labor force to be as large as 131,000.
** Including persons who no longer actively seek work
*** Embassy estimates
Sources: National Bureau for Statistics;
National Planning Bureau;
Central Bureau for Citizen Affairs;
Ministry of Labor

INTRODUCTION

The total labor force in Suriname is estimated to be 115,000 persons in a total population of 408,000. About 43,000 workers are directly employed by the Government, while approximately 31,000 are employed in the private sector. The government Planning Bureau estimates that 10 to 15 percent of the latter group are employed by parastatal industries - e.g., the state oil company, a sugar estate, a rice farm, banana and palm oil plantations, and a lumber company, among others. Another 42,000 workers are unemployed. It should be noted that the unemployment figures include all those who would like to work, whether they are actively seeking work or not. Everyone working one hour per week or more is counted as employed; the employment figures, therefore, conceal a good deal of underemployment.

A major change in the political situation took place with the election of a new National Assembly on November 25, 1987 after more than seven years of military rule. The three former political parties, ousted in 1980 by a military coup led by Desi Bouterse, regained political power, winning 85 percent of the vote. During the election campaign these political parties, united in a coalition called the Front, made clear that, if elected, their priorities would be:

- to restore good relations with the Dutch government so that the interrupted Dutch development aid program would be resumed;

- to end the conflict between the National Army and a guerilla insurgency led by Ronnie Brunswijk, a disaffected former soldier and member of Suriname's Bush Negro ethnic group.

If the Government is successful in attaining these goals, the economic situation in Suriname and the position of labor, are likely to improve considerably in the medium to long term. However, as of mid-1988, little concrete progress on either front had been made.

POLITICAL DEVELOPMENTS

The November elections resulted in a landslide victory for the Front and a massive rejection of the military regime of Army Commander Desi Bouterse, who had established his own political party, the National Democratic Party (NDP), in 1987. For the first time in Surinamese history, labor leaders participated directly in national elections: Fred Derby, leader of the Progressive Labor Federation C-47, Suriname's largest labor

federation, and Hendrik Sylvester of the Federation of Civil Service Organizations (CLO), founded the Surinamese Labor Party (SPA) as a "progressive" alternative to the traditional parties united in the Front and to the military-backed NDP. Of the remaining federations, the Moederbond, an organization with historical ties to one of the Front partners, the National Party of Suriname (NPS), supported the Front, while the Progressive Workers' Organization (PWO) and the Organization of Cooperating Autonomous Unions (OSAV) did not endorse any party. Bouterse's NDP received only 8 percent of the votes and the SPA 1.5 percent.

The new assembly took office on December 14, 1987, and the new president, vice-president, and council of ministers were inaugurated on January 25 and 26, 1988. Under the new constitution, adopted in a referendum in September 1987, labor will have a voice in the government through membership (along with the leading political parties, business organizations, and the army) in the State Council, a new body which will advise the president.

The Government's five-year policy program, which was approved by the National Assembly on March 22, 1988, states that restoration of the national economy will be among the priority objectives of the Front government. In the labor field, the Government will try to reduce unemployment by hiring registered job seekers for new projects. It will also explore improvements in Suriname's vocational training program and give full support to education-oriented activities of the trade unions.

On May 3, 1988, the Dutch Government announced the resumption of its development aid program with Suriname, and bilateral meetings on resumption of payments began later that month. Disagreements over the terms under which the aid would be provided led to the breakdown of the first round of talks, though the Dutch agreed to provide Nf. 30 million in short term emergency aid, and to resume negotiations in July. However, the aid program, worth approximately $800 million over the next eight years, is likely to be fully restored in some form in the course of the coming months. Suriname's foreign exchange shortage, at the moment the country's biggest economic problem, can only be solved by the resumption of foreign aid and the adoption of an effective structural adjustment program which will stimulate local and foreign investment.

THE ECONOMY AND LABOR

Fighting in eastern Suriname has ceased since the second half of 1987 and peace talks are under way between the Government and Jungle Command leader Ronnie Brunswijk, mediated by Suriname's Christian churches. Although at present not much progress is being made, the Surinamese Government is optimistic about prospects for peace in Suriname's interior. As soon as a peace treaty is signed, the Surinamese Government plans to initiate reconstruction of houses, schools, and hospitals in the interior so that 30,000 refugees can return to their villages. Only then will it be possible to resume economic activity (e.g., lumbering, cattle ranching, farming and quarrying) in eastern and central Suriname.

Suralco's aluminum smelter at Paranam, which has been closed for over a year as a result of insurgent activity, is only now being brought back into operation. Suralco's bauxite mine at Moengo was reopened in September 1987 and in April 1988 Suralco recalled 260 of the 800 employees who were laid off as a result of the closing of its Moengo mine and the alumina refinery. The smelter is due to resume full operations by the end of June. A new two-year collective agreement between Suralco management and the unions guaranteeing against large-scale layoffs in the next two years and providing for increased wages and benefits was signed in June, ensuring labor peace in this vital industry for the near future. With the recent rise in bauxite and aluminum prices, the outlook for Suriname's aluminum industry is considerably brighter than it was a year ago.

The palm oil plantations Patamacca, Phedra and Victoria, all located in areas of frequent guerilla activity, still face labor problems: workers are still concerned about security and complain about lack of facilities such as schools, medical care, police protection, etc.

Hundreds of workers in other industries are still left without work, due mainly to the severe shortage of foreign exchange, which has made imports of raw materials and spare parts for industry and agriculture impossible. However, most of these workers remain on company payrolls because Surinamese law prohibits dismissal of workers without authorization from the Ministry of Labor, which is very difficult to obtain.

THE FIVE LABOR FEDERATIONS

Organized labor consists of about 50 percent of the work force and is a very strong economic force. The labor force is relatively well organized, especially in the industrial and

business sectors where coverage approaches 100 percent. Labor relations here follow the Dutch model where unionism is strong and codetermination is sought.

The unions generally belong to one of four large labor federations. These four federations belong to a confederation called the Stichting Samenwerkende Vakcentrales in Suriname, the SSVS (the Foundation of Cooperating Labor Federations in Suriname), which was established in 1957, primarily to function as a conduit for aid from Dutch trade unions and later from the Dutch government. The SSVS has no power and functions now mainly as a supervisory board for the Stichting Scholings Instituut voor de Vakbeweging in Suriname (SIVIS), the Suriname Labor College in Geyersvlijt (P.O. Box 8035).

The oldest of the four major labor federations is the Progressive Werknemers Organisatie or PWO (Progressive Workers Organization), founded in 1948 by Father Josephus L. Weidmann, a Dutch Catholic priest. Today the PWO has about 3,000 members in approximately 18 member unions, generally though not exclusively in commercial organizations. The chairman of the PWO is Ramon Cruden, and the General Secretary is Marius Ment, an early associate of Father Weidmann. The PWO is affiliated with the Latin American Central of Workers (CLAT) in Caracas and the World Confederation of Labor (WCL) in Brussels. Headquarters are at Limesgracht 80, Paramaribo.

The Algemeen Verbond van Vakverenigingen in Suriname, AVVS de Moederbond (General Alliance of Labor Unions in Suriname), was founded on January 20, 1951. Today the Moederbond has about 14,000 members in about 50 member unions, in the fields of banking, insurance, agriculture, government, and commercial companies. The chairman of the Moederbond is Fred van Russel, whose son Romeo van Russel, the former general secretary of the Moederbond, is now Minister of Labor.

The Moederbond is affiliated with the Caribbean Council of Labor (CCL) in Barbados and the International Confederation of Free Trade Unions (ICFTU) in Brussels. After a visit to Suriname in January 1988, the ICFTU board decided to lift the suspension which was imposed on the Moederbond in 1986 because of alleged cooperation of the federation's leadership with the Bouterse regime. Moederbond headquarters are at Coppenamestraat 134 in Paramaribo.

The Progressieve Vakcentrale 47, C-47 (Progressive Labor Federation 47) was founded on January 11, 1970, by leading members of the nationalist PNR (Partij van de Nationalistische Republiek Suriname) political party. From the beginning, C-47

took the view that improvements in working conditions and politics went hand in hand, and C-47 maintained a lively interest in politics. C-47 was founded as a reaction to strikes by teachers and other civil servants, which had in part the political aim of bringing down the then-ruling government coalition. Today C-47 has about 16,000 members in approximately 65 member unions, the largest and most important of which are in the bauxite sector. C-47 is also active in industrial and retail companies. The chairman of C-47 is Fred Derby and the general secretary is Frans Menckeberg. C-47 is affiliated with the International Metalworkers Federation (IMF) but as a matter of policy does not maintain affiliations with any of the big three international federations. C-47 maintains a section in the Netherlands, which engages in no trade union activities, but provides a base for political support for C-47 in Suriname. The chairman of the Netherland section is Henri Tdlohreg, and the secretary is Wim Knoppel. C-47 headquarters are at Wanicastraat 230, (P.O. BOX 1988) in Paramaribo.

The Centrale Landsdienaren Organisaties, the CLO (the Federation of Civil Service Organizations) was founded on April 22, 1971. The CLO was also associated with the nationalist PNR political party. CLO has about 16,000 members in approximately 50 member unions, all of whom represent workers in government offices and institutions or parastatal organizations. A significant block of CLO members are school teachers, who were among the first workers in Suriname to organize on a large scale. The oldest teachers' union was founded in 1895. The chairman of CLO is Hendrik Sylvester, and the general secretary is Hugo Blanker. The CLO is not affiliated with any of the big three international federations though CLO leaders seek contacts with other civil service unions. Headquarters are at Kernkampweg 69 in Paramaribo.

The youngest federation, Organisatie van Samenwerkende Autonome Vakbonden (Organization of Cooperating Autonomous Trade Unions), OSAV, consists of 7 member unions and approximately 2,000 members. The chairman of OSAV is Waldo Bijnoe, and the secretary is August Wong. Since its establishment in May 1985, after a dispute over the leadership in the Moederbond, OSAV has played only a minor role in the trade union movement and in politics. OSAV moved into its own offices at Keizerstraat 18 on May 1, 1988.

In May 1987, the C-47, CLO, and the Moederbond announced the formation of RAVAKSUR, the Raad van de Vakbeweging in Suriname (Surinamese Labor Movement Council). RAVAKSUR was organized to coordinate the activities of the three member federations in dealing with the government and with employers' organizations.

Recently RAVAKSUR had talks with senior government officials about national labor problems and also with the independent police union about that union's ongoing conflict with the government. RAVAKSUR also organized Suriname's Labor Day celebrations on May 1. For the most part, however, RAVAKSUR has not played a major role in labor affairs so far.

GOVERNMENT REGULATION

Since December 1984 all labor legislation must be submitted for approval to the Labor Advisory Council, a tripartite commission representing business organizations, trade unions, and the Ministry of Labor, which must reach consensus on the proposal before it can be passed on to the National Assembly for consideration. The previous government did not make much progress in labor legislation, and at this moment the Labor Advisory Council has asked the Labor Minister to withdraw proposals for the Solidarity Fund and the Social Accord (a workmen's compensation fund and a wage/price agreement) because, in the view of the Council, they no longer reflect the views of the current political leadership. The Council has also asked the minister to change the legislation on layoff permits because this law has not had the desired effect. This law, intended to protect the employee, has forced the employer to find new ways and means to fire employees, e.g., by buying out labor contracts and by hiring personnel only for part time and intermittent employment. The Labor Advisory Council is also studying several ILO treaties which have been submitted for ratification by the Surinamese government.

LABOR UNREST

In the period May 1987 through June 1988, there were three major strikes and a number of minor labor actions. A number of labor conflicts, especially in the period after the elections, were sparked by disputes between managers appointed by the Bouterse regime and unions/workers opposed to the military government.

Brief labor actions took place, mostly in government offices and institutions, to protest against bad working conditions due to shortages, e.g., broken air conditioners, unsafe vehicles, etc.

A strike at Randoe, a furniture factory, started on July 2, 1987, when an employee assaulted a manager and was fired. Sixteen laborers continued to strike in spite of a court

injunction declaring the strike illegal. In December 1987 these employees started their own furniture factory supported by the Moederbond board, bringing the strike to an end.

The Surinamese police force went on strike in April to demand guarantees of personal safety for officers from the Surinamese Government. While investigating crimes committed by soldiers, police officers had been threatened. The Office of the Prosecutor, according to the police union, had failed to follow up on most cases in which senior military officers were implicated. The strike lasted only two days before an agreement was reached, but the Government has so far not acted on its promises to the union and a resumption of this strike is not unlikely.

The union of the Surinamese Brewery, in conflict with the board from March 1985 until September 1986, was again on strike from April to June 1988. The union refused to accept the employer's terms for establishing a retirement fund. A compromise was finally worked out after the dispute was submitted to the National Labor Mediation Board for arbitration.

More labor conflicts are likely to occur because many two-year labor contracts will expire this year and the employees will probably not accept another contract without wage increases "due to difficult circumstances" as they did two years ago. Many union leaders refrained from calling strikes under the military regime but will not show such restraint under the new, democratic government.

STATISTICS

There is no minimum wage in Suriname. There are no statistics on productivity, and there is no accurate figure on wage increases, though wages have clearly fallen farther and farther behind prices. Prices of basic foodstuffs are controlled, in theory, but most items other than bread and milk (which are subsidized by the government) are available only on the black market at unregulated prices. Inflation in 1987 was officially estimated at 53 percent.

To give some idea of wages in Suriname, a bauxite company pays an unskilled worker approximately Sf 1480 (US $835) per month. The same company pays a carpenter approximately Sf 1665 (US $940) per month, a welder Sf 1920 (US $1085) per month, a foreman Sf 2485 (US $1400) per month, and a chief clerk Sf 3025 (US $1710) per month. These wages are much higher than would be paid by a totally Surinamese-owned company, although even

these wages have not kept pace with inflation. The wage scale for civil servants runs from Sf 320 (US $180) to Sf 3200 (US $1800) per month, with cleaners and janitors at the low end and department chiefs at the upper end. A typist in a government office earns about Sf 425 (US $240), and an elementary school teacher earns about Sf 750 (US $425) per month. An unskilled laborer makes about Sf 500 (US $280) a month, a driver earns Sf 600 (US $338), and a gardener Sf 530 (US $300). A bank teller earns about Sf 650 (US $370) monthly. A registered nurse starts at Sf 900 (US $500), and secretaries in private companies earn Sf 1100 (US $620). Many businesses pay their workers for a thirteenth month, as a vacation bonus. Other benefits include health and life insurance.

THE FUTURE

The ability of Suriname's leaders to maintain a reasonable level of labor stability will depend to a great extent on their ability to achieve the principal goals they have set for themselves for the coming five years: restoration of genuine democracy, settlement of the conflict in the interior, reconstruction of the economy, and resumption of good relations with the Netherlands and of Dutch development aid. Organized labor shares these aims and has promised its support to the Government in realizing them; but these are complicated problems, and the new Government, restrained by the presence of the still-powerful military, is unlikely to move fast enough to satisfy the unions. As noted elsewhere in this report, the slow pace of democratization has been at the root of many of the labor problems which have beset Suriname in the months since the elections. Until peace is restored in the interior, until Dutch aid begins to flow again, and until economic recovery is well under way, it will be impossible to satisfy workers' demands for more jobs, higher wages, and cheaper and more abundant consumer goods. With the threat of military repression less immediate, unions are more likely to resort to strikes as a means of settling grievances than they have in years past. The coming year is, therefore, likely to see a greater number of strikes and other labor actions as the unions express their impatience for more rapid change.

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